

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5775

Chapter 83, Laws of 2005

59th Legislature
2005 Regular Session

SMALL CITY PAVEMENT AND SIDEWALK ACCOUNT

EFFECTIVE DATE: 7/1/05 - Except section 5, which becomes effective July 1, 2006.

Passed by the Senate March 14, 2005
YEAS 48 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House April 6, 2005
YEAS 94 NAYS 0

FRANK CHOPP

Speaker of the House of Representatives

Approved April 18, 2005.

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5775** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

FILED

April 18, 2005 - 2:07 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5775

Passed Legislature - 2005 Regular Session

State of Washington **59th Legislature** **2005 Regular Session**

By Senate Committee on Transportation (originally sponsored by
Senator Mulliken)

READ FIRST TIME 03/07/05.

1 AN ACT Relating to the creation of a small city or town street
2 improvement program; amending RCW 43.84.092; reenacting and amending
3 RCW 43.84.092; adding new sections to chapter 47.26 RCW; creating new
4 sections; providing effective dates; providing an expiration date; and
5 declaring an emergency.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

7 NEW SECTION. **Sec. 1.** The state legislature finds that it is in
8 the state's interest to support the economic vitality of all cities and
9 towns and recognizes that those cities and towns with a population of
10 less than five thousand are unable to fully maintain and preserve their
11 street system. Therefore, the legislature finds it is necessary to
12 create a small city pavement and sidewalk account.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.26 RCW
14 to read as follows:

15 The small city pavement and sidewalk account is created in the
16 state treasury. All state money allocated to the small city pavement
17 and sidewalk account for the ongoing support of cities and towns must
18 be deposited into the account. Money in the account may be spent only

1 after appropriation. Expenditures from the account must be used for
2 small city pavement and sidewalk projects or improvements selected by
3 the board in accordance with section 3 of this act, to pay principal
4 and interest on bonds authorized for these projects or improvements, to
5 make grants or loans in accordance with this chapter, or to pay for
6 engineering feasibility studies selected by the board.

7 NEW SECTION. **Sec. 3.** A new section is added to chapter 47.26 RCW
8 to read as follows:

9 All cities and towns with a population of less than five thousand
10 are eligible to receive money from the small city pavement and sidewalk
11 account created under section 2 of this act for maintenance, repair,
12 and resurfacing of city and town streets. The board shall determine
13 the allocation of money based on:

14 (1) The amount of available funds within the small city pavement
15 and sidewalk account;

16 (2) Whether the city or town meets one or more of the following
17 criteria:

18 (a) The city or town has identified a street in a six-year
19 transportation improvement plan, as defined by RCW 35.77.010, or a
20 project identified through the use of a pavement management system;

21 (b) The city or town has provided pavement rating information on
22 the proposed street improvement or street network improvement;

23 (c) The city or town has provided sidewalk information on the
24 proposed sidewalk system improvement;

25 (d) The city or town has provided information, where available, on
26 traffic conditions for truck routes, bus routes, and traffic volumes;

27 (e) The city or town has the ability to provide a local match as
28 demonstrated by one or more of the following:

29 (i) A funding match based upon a city's assessed valuation;

30 (ii) Community involvement and support, including volunteer
31 participation, such as landscaping and maintaining landscaping along
32 the street or sidewalk system; or

33 (iii) Partnership efforts with federal or other state programs,
34 including the department of community, trade, and economic development
35 mainstreet program.

1 **Sec. 4.** RCW 43.84.092 and 2003 c 361 s 602, 2003 c 324 s 1, 2003
2 c 150 s 2, and 2003 c 48 s 2 are each reenacted and amended to read as
3 follows:

4 (1) All earnings of investments of surplus balances in the state
5 treasury shall be deposited to the treasury income account, which
6 account is hereby established in the state treasury.

7 (2) The treasury income account shall be utilized to pay or receive
8 funds associated with federal programs as required by the federal cash
9 management improvement act of 1990. The treasury income account is
10 subject in all respects to chapter 43.88 RCW, but no appropriation is
11 required for refunds or allocations of interest earnings required by
12 the cash management improvement act. Refunds of interest to the
13 federal treasury required under the cash management improvement act
14 fall under RCW 43.88.180 and shall not require appropriation. The
15 office of financial management shall determine the amounts due to or
16 from the federal government pursuant to the cash management improvement
17 act. The office of financial management may direct transfers of funds
18 between accounts as deemed necessary to implement the provisions of the
19 cash management improvement act, and this subsection. Refunds or
20 allocations shall occur prior to the distributions of earnings set
21 forth in subsection (4) of this section.

22 (3) Except for the provisions of RCW 43.84.160, the treasury income
23 account may be utilized for the payment of purchased banking services
24 on behalf of treasury funds including, but not limited to, depository,
25 safekeeping, and disbursement functions for the state treasury and
26 affected state agencies. The treasury income account is subject in all
27 respects to chapter 43.88 RCW, but no appropriation is required for
28 payments to financial institutions. Payments shall occur prior to
29 distribution of earnings set forth in subsection (4) of this section.

30 (4) Monthly, the state treasurer shall distribute the earnings
31 credited to the treasury income account. The state treasurer shall
32 credit the general fund with all the earnings credited to the treasury
33 income account except:

34 (a) The following accounts and funds shall receive their
35 proportionate share of earnings based upon each account's and fund's
36 average daily balance for the period: The capitol building
37 construction account, the Cedar River channel construction and
38 operation account, the Central Washington University capital projects

1 account, the charitable, educational, penal and reformatory
2 institutions account, the common school construction fund, the county
3 criminal justice assistance account, the county sales and use tax
4 equalization account, the data processing building construction
5 account, the deferred compensation administrative account, the deferred
6 compensation principal account, the department of retirement systems
7 expense account, the drinking water assistance account, the drinking
8 water assistance administrative account, the drinking water assistance
9 repayment account, the Eastern Washington University capital projects
10 account, the education construction fund, the election account, the
11 emergency reserve fund, The Evergreen State College capital projects
12 account, the federal forest revolving account, the health services
13 account, the public health services account, the health system capacity
14 account, the personal health services account, the state higher
15 education construction account, the higher education construction
16 account, the highway infrastructure account, the industrial insurance
17 premium refund account, the judges' retirement account, the judicial
18 retirement administrative account, the judicial retirement principal
19 account, the local leasehold excise tax account, the local real estate
20 excise tax account, the local sales and use tax account, the medical
21 aid account, the mobile home park relocation fund, the multimodal
22 transportation account, the municipal criminal justice assistance
23 account, the municipal sales and use tax equalization account, the
24 natural resources deposit account, the oyster reserve land account, the
25 perpetual surveillance and maintenance account, the public employees'
26 retirement system plan 1 account, the public employees' retirement
27 system combined plan 2 and plan 3 account, the public facilities
28 construction loan revolving account beginning July 1, 2004, the public
29 health supplemental account, the public works assistance account, the
30 Puyallup tribal settlement account, the regional transportation
31 investment district account, the resource management cost account, the
32 site closure account, the small city pavement and sidewalk account, the
33 special wildlife account, the state employees' insurance account, the
34 state employees' insurance reserve account, the state investment board
35 expense account, the state investment board commingled trust fund
36 accounts, the supplemental pension account, the Tacoma Narrows toll
37 bridge account, the teachers' retirement system plan 1 account, the
38 teachers' retirement system combined plan 2 and plan 3 account, the

1 tobacco prevention and control account, the tobacco settlement account,
2 the transportation infrastructure account, the tuition recovery trust
3 fund, the University of Washington bond retirement fund, the University
4 of Washington building account, the volunteer fire fighters' and
5 reserve officers' relief and pension principal fund, the volunteer fire
6 fighters' and reserve officers' administrative fund, the Washington
7 fruit express account, the Washington judicial retirement system
8 account, the Washington law enforcement officers' and fire fighters'
9 system plan 1 retirement account, the Washington law enforcement
10 officers' and fire fighters' system plan 2 retirement account, the
11 Washington school employees' retirement system combined plan 2 and 3
12 account, the Washington state health insurance pool account, the
13 Washington state patrol retirement account, the Washington State
14 University building account, the Washington State University bond
15 retirement fund, the water pollution control revolving fund, and the
16 Western Washington University capital projects account. Earnings
17 derived from investing balances of the agricultural permanent fund, the
18 normal school permanent fund, the permanent common school fund, the
19 scientific permanent fund, and the state university permanent fund
20 shall be allocated to their respective beneficiary accounts. All
21 earnings to be distributed under this subsection (4)(a) shall first be
22 reduced by the allocation to the state treasurer's service fund
23 pursuant to RCW 43.08.190.

24 (b) The following accounts and funds shall receive eighty percent
25 of their proportionate share of earnings based upon each account's or
26 fund's average daily balance for the period: The aeronautics account,
27 the aircraft search and rescue account, the county arterial
28 preservation account, the department of licensing services account, the
29 essential rail assistance account, the ferry bond retirement fund, the
30 grade crossing protective fund, the high capacity transportation
31 account, the highway bond retirement fund, the highway safety account,
32 the motor vehicle fund, the motorcycle safety education account, the
33 pilotage account, the public transportation systems account, the Puget
34 Sound capital construction account, the Puget Sound ferry operations
35 account, the recreational vehicle account, the rural arterial trust
36 account, the safety and education account, the special category C
37 account, the state patrol highway account, the transportation 2003
38 account (nickel account), the transportation equipment fund, the

1 transportation fund, the transportation improvement account, the
2 transportation improvement board bond retirement account, and the urban
3 arterial trust account.

4 (5) In conformance with Article II, section 37 of the state
5 Constitution, no treasury accounts or funds shall be allocated earnings
6 without the specific affirmative directive of this section.

7 **Sec. 5.** RCW 43.84.092 and 2004 c 242 s 60 are each amended to read
8 as follows:

9 (1) All earnings of investments of surplus balances in the state
10 treasury shall be deposited to the treasury income account, which
11 account is hereby established in the state treasury.

12 (2) The treasury income account shall be utilized to pay or receive
13 funds associated with federal programs as required by the federal cash
14 management improvement act of 1990. The treasury income account is
15 subject in all respects to chapter 43.88 RCW, but no appropriation is
16 required for refunds or allocations of interest earnings required by
17 the cash management improvement act. Refunds of interest to the
18 federal treasury required under the cash management improvement act
19 fall under RCW 43.88.180 and shall not require appropriation. The
20 office of financial management shall determine the amounts due to or
21 from the federal government pursuant to the cash management improvement
22 act. The office of financial management may direct transfers of funds
23 between accounts as deemed necessary to implement the provisions of the
24 cash management improvement act, and this subsection. Refunds or
25 allocations shall occur prior to the distributions of earnings set
26 forth in subsection (4) of this section.

27 (3) Except for the provisions of RCW 43.84.160, the treasury income
28 account may be utilized for the payment of purchased banking services
29 on behalf of treasury funds including, but not limited to, depository,
30 safekeeping, and disbursement functions for the state treasury and
31 affected state agencies. The treasury income account is subject in all
32 respects to chapter 43.88 RCW, but no appropriation is required for
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36 credited to the treasury income account. The state treasurer shall

1 credit the general fund with all the earnings credited to the treasury
2 income account except:

3 (a) The following accounts and funds shall receive their
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6 construction account, the Cedar River channel construction and
7 operation account, the Central Washington University capital projects
8 account, the charitable, educational, penal and reformatory
9 institutions account, the common school construction fund, the county
10 criminal justice assistance account, the county sales and use tax
11 equalization account, the data processing building construction
12 account, the deferred compensation administrative account, the deferred
13 compensation principal account, the department of retirement systems
14 expense account, the drinking water assistance account, the drinking
15 water assistance administrative account, the drinking water assistance
16 repayment account, the Eastern Washington University capital projects
17 account, the education construction fund, the election account, the
18 emergency reserve fund, The Evergreen State College capital projects
19 account, the federal forest revolving account, the health services
20 account, the public health services account, the health system capacity
21 account, the personal health services account, the state higher
22 education construction account, the higher education construction
23 account, the highway infrastructure account, the industrial insurance
24 premium refund account, the judges' retirement account, the judicial
25 retirement administrative account, the judicial retirement principal
26 account, the local leasehold excise tax account, the local real estate
27 excise tax account, the local sales and use tax account, the medical
28 aid account, the mobile home park relocation fund, the multimodal
29 transportation account, the municipal criminal justice assistance
30 account, the municipal sales and use tax equalization account, the
31 natural resources deposit account, the oyster reserve land account, the
32 perpetual surveillance and maintenance account, the public employees'
33 retirement system plan 1 account, the public employees' retirement
34 system combined plan 2 and plan 3 account, the public facilities
35 construction loan revolving account beginning July 1, 2004, the public
36 health supplemental account, the public works assistance account, the
37 Puyallup tribal settlement account, the regional transportation
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1 site closure account, the small city pavement and sidewalk account, the
2 special wildlife account, the state employees' insurance account, the
3 state employees' insurance reserve account, the state investment board
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5 accounts, the supplemental pension account, the Tacoma Narrows toll
6 bridge account, the teachers' retirement system plan 1 account, the
7 teachers' retirement system combined plan 2 and plan 3 account, the
8 tobacco prevention and control account, the tobacco settlement account,
9 the transportation infrastructure account, the tuition recovery trust
10 fund, the University of Washington bond retirement fund, the University
11 of Washington building account, the volunteer fire fighters' and
12 reserve officers' relief and pension principal fund, the volunteer fire
13 fighters' and reserve officers' administrative fund, the Washington
14 fruit express account, the Washington judicial retirement system
15 account, the Washington law enforcement officers' and fire fighters'
16 system plan 1 retirement account, the Washington law enforcement
17 officers' and fire fighters' system plan 2 retirement account, the
18 Washington public safety employees' plan 2 retirement account, the
19 Washington school employees' retirement system combined plan 2 and 3
20 account, the Washington state health insurance pool account, the
21 Washington state patrol retirement account, the Washington State
22 University building account, the Washington State University bond
23 retirement fund, the water pollution control revolving fund, and the
24 Western Washington University capital projects account. Earnings
25 derived from investing balances of the agricultural permanent fund, the
26 normal school permanent fund, the permanent common school fund, the
27 scientific permanent fund, and the state university permanent fund
28 shall be allocated to their respective beneficiary accounts. All
29 earnings to be distributed under this subsection (4)(a) shall first be
30 reduced by the allocation to the state treasurer's service fund
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38 grade crossing protective fund, the high capacity transportation

1 account, the highway bond retirement fund, the highway safety account,
2 the motor vehicle fund, the motorcycle safety education account, the
3 pilotage account, the public transportation systems account, the Puget
4 Sound capital construction account, the Puget Sound ferry operations
5 account, the recreational vehicle account, the rural arterial trust
6 account, the safety and education account, the special category C
7 account, the state patrol highway account, the transportation 2003
8 account (nickel account), the transportation equipment fund, the
9 transportation fund, the transportation improvement account, the
10 transportation improvement board bond retirement account, and the urban
11 arterial trust account.

12 (5) In conformance with Article II, section 37 of the state
13 Constitution, no treasury accounts or funds shall be allocated earnings
14 without the specific affirmative directive of this section.

15 NEW SECTION. **Sec. 6.** Except for section 5 of this act which takes
16 effect July 1, 2006, this act is necessary for the immediate
17 preservation of the public peace, health, or safety, or support of the
18 state government and its existing public institutions, and takes effect
19 July 1, 2005.

20 NEW SECTION. **Sec. 7.** Section 4 of this act expires July 1, 2006.

21 NEW SECTION. **Sec. 8.** If specific funding for the purposes of this
22 act, referencing this act by bill or chapter number, is not provided by
23 June 30, 2005, in the transportation appropriations act, this act is
24 null and void.

Passed by the Senate March 14, 2005.

Passed by the House April 6, 2005.

Approved by the Governor April 18, 2005.

Filed in Office of Secretary of State April 18, 2005.